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April 12, 2024

**By Federal Express and Electronic Filing**

The Honorable John P. Mastando III  
United States Bankruptcy Court  
Southern District of New York  
One Bowling Green, Courtroom 501  
New York, New York 10004-5663

Re: *In re JJ Arch*  
Case No. 24-10381-mew

Your Honor:

Our firm represents 40 Neutral LLC (“Neutral”) and Kay Properties LLC (“Kay”) in the above-captioned chapter 11 proceedings of JJ Arch. As Your Honor may recall, at a status conference held in this matter on April 5, 2024, the Court asked that Neutral and Kay provide a status letter to the Court today regarding efforts to achieve consensual resolution of the *Motion to Expand Powers of the Subchapter V Trustee* [Dkt. No. 23] filed by Neutral and Kay (the “Expanded Powers Motion”).

Efforts to resolve the Expanded Powers Motion are ongoing, and there has been a constructive dialogue among counsel regarding same. A draft proposal has been made and comments from all counsel received and addressed, and on April 11<sup>th</sup> a further revised draft was sent to counsel for the Debtor, counsel for Mr. Chassen, and counsel for Mr. Simpson for consideration and sign-off.

Neutral and Kay respectfully request that the parties be given additional time to attempt consensual resolution. To the extent acceptable to the Court, Neutral and Kay will provide the Court a further letter update and status report on this matter on or prior to April 19, 2024.

Thank you for your consideration of this matter.

Respectfully submitted,

*/s/ William C. Heuer*

William C. Heuer

WCH/ger